

Advertising Age

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May 17, 1984

DDB stars step in for Austrian

By STEWART ALTER

NEW YORK—Doyle Dane Bernbach International has turned management over to executives responsible for major billings growth at its star operations, DDB West and DDB-London.

Barry E. Loughrane, 51, is new president and chief executive officer, succeeding Neil R. Austrian as top officer of the worldwide agency. John L. Bernbach has been named president of its newly created international division.

Mr. Austrian, 44, left to become chairman and ceo of Showtime/The Movie Channel, though as a major DDB stockholder, he remains on the agency's board.

Under Mr. Loughrane's stewardship, DDB West billings doubled to \$63 million between 1978 and 1983. DDB-London's billings doubled to \$60 million in the two-and-a-half years it's been run by Mr. Bernbach, agency founder William Bernbach's 40-year-old son.

Mr. Loughrane also remains president and ceo of U.S. operations, a title he picked up in 1982.

As part of the same reorganization, Robert G. Pfundstein, 47, (Continued on Page 5)

After our engineers perfected the Audi 4000S, look what they did for an encore.



Introducing the Limited Edition Audi 4000S

Audi: the art of engineering.

Ready to roll

Spring has come to Porsche-Audi with a Limited Edition Audi 4000S. Ads are set to break May 21 in buff books, newsweeklies and business publications; spot tv also supports. Doyle Dane Bernbach, Troy, Mich., handles.

Best Foods axes D'Arcy from roster

By JOHN J. O'CONNOR

ENGLEWOOD CLIFFS, N.J.—CPC International's Best Foods division severed its relationship with D'Arcy MacManus Masius this week when it moved a trio of brands, with combined ad spending of \$13 million, to Dancer Fitzgerald Sample.

At the same time, Best Foods moved the \$11 million Hellman's/Best Foods brand mayonnaise and spreads account to Ogilvy & Mather from DFS. The move also involved several unidentified new products. O&M had joined the Best Foods roster after Best acquired C.F. Mueller Co., which O&M had been handling.

David R. Newstadt, CPC corporate vp and president of Best Foods, said the decision to leave DMM was not due to "dissatisfaction with the work that they have done for us."

He noted that as a result of an evaluation it was decided that there were "mutual benefits to be achieved by consolidating to just

two agencies—DFS and O&M."

The three accounts that DFS gained this week are Mazola oil, Golden Griddle pancake syrup and Karo syrup. Mazola's support exceeded \$9.3 million in 1983, according to Leading National Advertisers. Next came Karo, with spending in excess of \$2.5 million, and Golden Griddle, \$1.2 million. The move also reunites Mazola oil with Mazola margarine, which DFS has handled for some time.

Other Best Foods products that DFS has are Argo/Kingsford cornstarch, Mazola No-Stick, Sahara bread, Mrs. Fanning's Bread & Butter pickles and Skippy peanut butter.

Another Best Foods agency, Young & Rubicam, has the \$6 million Thomas' English muffins account, which DMM had handled.

The removal of DMM is another indication of the trend by major national advertisers to pare agency rosters. William Esty Co. last week was dealt a similar blow by both Colgate-Palmolive and Warner-Lambert (AA, May 10, et seq.).#

A-B rushes LA across the U.S.

By SCOTT HUME

Anheuser-Busch next week will begin a national rollout of its LA low-alcohol beer, a brand it introduced into test only last month.

Under a two-phase distribution plan the nation's largest brewer said is mandated by capacity limitations, LA will be introduced to 65% of the U.S. between May 21 and June 4. The rest of the country will get distribution in the fall.

At the same time, Heileman general counsel Randy Smith said the La Crosse, Wis., brewer planned to expand distribution of its Blatz LA and Carling Black Label LA brands to most major markets by mid-June. Both will be nationally available this year, he said.

Stroh Brewery, Detroit, revealed no immediate plans for moving its Schaeffer LA brand beyond its Houston test market.

Print advertising for A-B's

brand will begin the week before LA is introduced to market. Television and radio support will begin the week of introduction. All will carry the theme "For the way you live today...LA," used in initial test-marketing (AA, April 23). D'Arcy MacManus Masius, St. Louis, handles.

An A-B spokesman said network buys for LA will begin the third or fourth week of May, with advertising for other A-B brands substituted in markets where LA will not yet have been introduced. He declined to estimate total ad spending for the brand introduction.

By becoming the first national marketer of a low-alcohol beer, A-B, St. Louis, may be hoping consumers will identify low-alcohol beer with its LA brand even if the courts rule other brewers may use the initials. To foster that awareness, A-B could add LA to (Continued on Page 5)

Fiat to pick B&B?

By CLAIRE WILSON

MILAN—Fiat is planning to consolidate its entire \$118.4 million worldwide advertising budget with a single agency, and the leading candidate so far is Benton & Bowles, sources say.

These sources expect B&B to gain the account first in Europe, where Fiat works with different agencies in each country, and then other regions of the world. B&B already has the lion's share of Fiat's \$59.2 million advertising budget in Italy.

Fiat, which did all its advertising in-house until 1982, "doesn't want to create a global image or have a single campaign that is valid for each market," said Ruggiero Mazzini, a Fiat international advertising official. Mr. Mazzini said improving account service and saving money in the future are the main reasons for the change.

In the U.K., Ogilvy & Mather was forced to divest itself of a majority share of Davidson Pearce when that agency won the Fiat account, because of O&M conflicts with Ford.#

Lipton decaf goes south

By GAY JERVEY

Thomas J. Lipton Inc. this summer will move its decaffeinated tea entry into the South, promoting it as an iced-tea drink in tv spots that will not feature Lipton spokesman Don Meredith.

Lipton vp-beverage division Jerry Boyks said the decaffeinated iced-tea ads, though not formally approved yet, will follow the tack of test spots created by Lipton agency SSC&B. Those ads feature a couple who has discovered "the (Continued on Page 5)

Tab uncorks sweetener switch

By NANCY GIGES

NEW YORK—Tab, a major diet soft-drink holdout in switching to an aspartame formula, finally is making its move.

At a press conference here May 16, Coca-Cola announced that the reformulation will be touted in a heavy multimedia campaign with the theme "Let's taste new Tab."

Once the leading diet cola, Tab sank to third place when Coca-Cola debuted the now highly successful Diet Coke.

Diet Pepsi remains the second-leading diet cola.

While Tab's business has been

hurt drastically, it still is estimated to be about a \$100 million business for Coca-Cola, one that the company is hoping to salvage with broader, distinct positioning from Diet Pepsi and even Diet Coke. The brand is described as having a cleaner, crisper, drier taste than competitive brands.

By midsummer, Coca-Cola hopes the new formula will be in 80% of the country. Network tv is scheduled to break on ABC during the Summer Olympics. A full range of print, couponing, in-store sampling and point-of-purchase programs also are planned. The campaign cost is expected to exceed \$30 million.

Tv spots by McCann-Erickson show a variety of consumers drinking Tab, including a female athlete, mothers and working couples, as a voiceover repeats "Let's taste new Tab." The famous hourglass is shown in at least one of the three new spots.

The company also has updated packaging, using a dark magenta background with red pinstripes. Caffeine-free Tab continues to be sold in silver-and-white cans. Flags on both note that the cola is now sweetened with a blend including NutraSweet, the G.D. Searle & Co., Skokie, Ill., brand of aspartame.#

NEWSPAPER

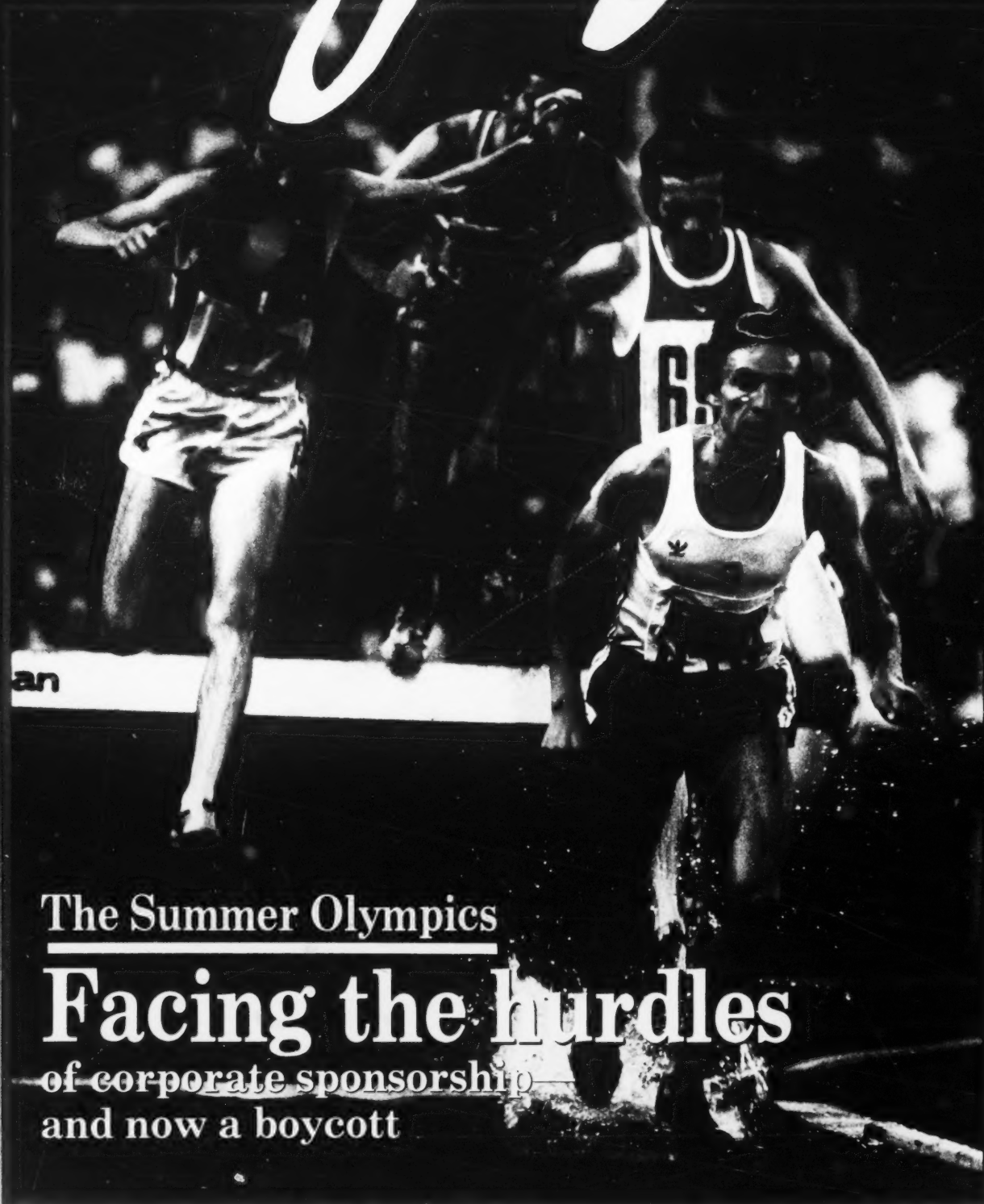
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Advertising Age

Magazine

May 17, 1984



The Summer Olympics

Facing the hurdles

of corporate sponsorship—
and now a boycott

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'Top 35' research companies**

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**How agencies hire at the entry level—
results of a new survey**

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Advertising Age Magazine

May 17, 1984



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The 1984 Summer Olympics in Los Angeles have been plagued by political and commercial strife even before the start of the games in July. The Soviet announcement of withdrawal from the games was only the most recent controversy, joining the debate over commercialization, sponsorships and exclusivity, security and product endorsements by athletes.

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A survey of the largest U.S. ad agencies found several training programs in account management and media departments but a lack of much formal training in creative and research.

Special Report Research Business Review

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The U.S. marketing/advertising research industry, marked by changes in top management, reported an 11.3% increase in revenues in 1983 over 1982. The 35 top companies had gross worldwide revenues of \$1.291 billion.

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A.C. Nielsen Jr., retired chairman-chief executive officer of A.C. Nielsen Co., issues a call to reduce the cost of marketing—the riskiest component of advertising.

43 How the research job market shapes up

Research professionals with two to five years of experience who can both analyze and verbalize research results are in great demand.

46 Slamming syndicated data

Sonia Yuspeh, president of the American Marketing Assn., says syndicated segmentation schemes are too simple, too remote, too rigid and too unreliable.

48 One entrepreneur's legacy

In more than 40 years in the research industry, Henry Brenner has touched many lives.

Research Business Review report coordinator: Robert Goldsborough
Cover photo: Index Stone International

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10 Parting Shot

To our readers

The concept of ADVERTISING AGE's midweek edition was put to the test last week when news broke May 8 that the Soviets had announced they were boycotting the 1984 Summer Olympics in Los Angeles.

It was 11 a.m. Chicago time Tuesday and the news side was approaching its final deadline for the May 10 edition when the boycott news came. Immediately, all bureaus went into action to learn the details and ramifications of the announcement.

Files came in from Geneva, a team of reporters from our Los Angeles bureau met with ABC affiliates to find out what was in store for the network, while other West Coast reporters tracked down Los Angeles Olympic Organizing Committee members. Other reporters across

the country contacted Olympics sponsors to learn their reactions to the news.

The news operation also quickly acted to tear up the front page that was in the works to accommodate the breaking developments, and they added a news page for the related stories.

While this flurry of activity was taking place on the news side, Magazine was not standing idly by. We were able to work on our Olympics package that begins on Page M-6 to make changes that would give it as much currency as possible given our deadlines.

As I write this, stories are being readied for the May 14 issue that will bring us up to date on Olympics-related reactions and events that have occurred since May 8 and how

they affect sponsors and the media.

In a large sense, this was our first real test of how reactive to breaking news ADVERTISING AGE can be in its new twice-weekly frequency.

As Rick Gordon, managing editor, says, "Our entire staff—reporters in all our U.S. bureaus, our foreign correspondents, our editors—was mobilized in the span of just 30 minutes, and the first elements of our story began to arrive in Chicago less than an hour after the Tass announcement hit the news wires. It was breathless, down-to-the-wire journalism, just the sort we had in mind when we decided to add our midweek edition."

Marion Elmquist
Editor

Letters

Marketing to women

I was intrigued by your Marketing to Women report (April 2). But what struck me most was the observation that the Ford Motor Co. used an appeal to the upscale woman in a Thunderbird ad.

I'm here to tell you that marketing to women still has a long way to go. Recently the Ford Motor Co.—which has suddenly discovered direct mail—sent me a followup letter and "questionnaire" after I responded to an earlier questionnaire (what make of car do I own, demographic information, future car buying plans, etc.). The follow-up package contained a letter asking for my further "help"; it directed me to go to my local Ford dealership and try out a Ford, then fill out yet another questionnaire.

Also in this package were two pamphlets, one a reprint of a 1912 pamphlet aimed at women, the other its 1984 counterpart, "What Every Woman Should Know Before Buying a Car."

Several things disturbed me about Ford's attempt. The first was its attempt to enlist me as an immediate prospect when my earlier responses suggested I was not. The second was the deceptive use of the "questionnaire." The third? I was not aware that women needed an entirely separate bank of knowledge before buying a car.

As a copywriter, I appreciated Ford's mailing, especially the two brochures. I will keep them as a reminder of how not to write copy to women. How did I choose my 1980 Honda? By looking it up in *Consumer Reports*.

Nancy Keating
Cohen Okerlund Smith
Minneapolis

Who does the waxing?

Gloria Steinem's article (Commentary Corner, April 2) on the role of the sexes in advertising made some interesting points about the need to show more couples doing things together around the house, as well as showing women in a better, more realistic light. However, I also think that the same goes for men in advertising. I think it would be refreshing to see more ads with men waxing floors, dusting or doing the laundry themselves—without needing to

be "rescued" by their "smarter" wives. Today, with more women working, it is possible that the man knows more about taking care of the home than his wife.

At least if men do more of the housework—and are shown doing it—it will allow their wives to be able to be the seductresses they're "supposed to be."

Leslie Rosenberg
Fort Lauderdale, Fla

Powerful message

Congratulations on your Critic's brutal attack of R.J. Reynolds' public service ad (Critic's Corner, April 2). I congratulate you with some bitterness. I feel you have done a great injustice to this ad and R.J. Reynolds by not mentioning the ad's good points. Does the heading attract the reader's attention? Does the copy, through entertaining subtle humor, urge the reader to read on? I think so. Does the copy end with a powerful message, one that promotes R.J. Reynolds as being socially responsible? Yes.

The tobacco industry takes its "licks" from just about every social organization in the U.S. You can't blame R.J. Reynolds for trying to better its image in the public's eye, in fact, it should be commended for its originality.

I am not an advocate of cigarette smoking by any means. I don't even smoke. I'm simply an admirer of imagination and creativity—this ad has both.

Bruce Birtwell
Northeastern University
Boston

A blessed relief

I am getting tired of people taking off after James Brady. Now it's his politics. My understanding is that a columnist can say anything he pleases about anything, short of libel. The reader is free to agree, disagree, not give a damn, skip his column, or all of the above. Brady is a blessed relief with his wit, charm, and sophistication because AA is mostly deadly serious and humorless. I do wish, however, that he would use one of the photos of himself taken by John Weitz, now on exhibit at the Museum of the City of New York ("New York Faces"), rather than the unflattering one that heads his column.

Virginia Miles
Ex-senior vp with
Young & Rubicam
Marketing Consultant
Englewood, N.J.

Magazine

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Fewer sponsors—but greater impact

This report on the Summer Olympics was produced by ADVERTISING AGE's Los Angeles bureau.

Even before the apparent Soviet withdrawal and the subsequent withdrawals of other Eastern Bloc nations, the 1984 Summer Olympic Games in Los Angeles appeared to be like a house of cards. The use of the 1984 games as a political forum was a given.

Long before the shocking announcement that the Soviets wouldn't be coming it was evident that the politicizing of the Olympics was inevitable.

But politics aside there were and continue to be security, traffic, smog and other potential emergencies. Now, without the Russians, more than ever, the house of cards simile is valid.

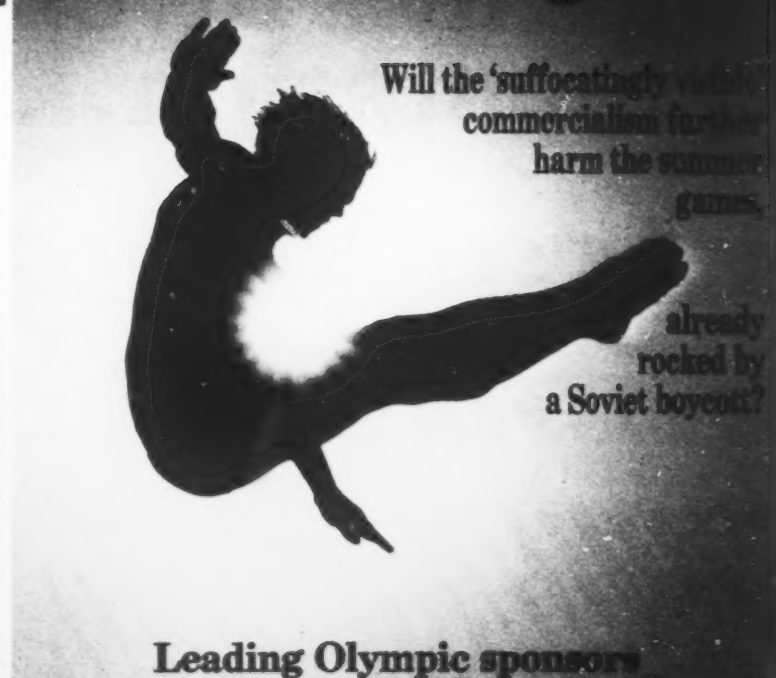
And until the Russian pullout, Peter Ueberroth, Harry Usher and other Los Angeles Olympic Organizing Committee members and staff people did a superb job of holding the house of cards together.

Mr. Ueberroth, president of the committee and soon to be Major League Baseball commissioner, strives for and demands excellence. Mr. Usher, the general manager, and his staff have prepared meticulously. They've had an overwhelming financial and logistical challenge, and they've met it until the Russians said *nyet*.

Yet private enterprise's involvement seems to be working.

However, critics remain concerned about the commercial aspect of the games, despite the fact there will be far fewer commercial sponsors than at recent previous games. Commercialism is still suffocatingly visible, from seat cushions, caps and calendars to phones, Christmas cards and beach towels.

It apparently had to be this way. Taxpayers in Southern California made it clear they didn't want to put government money into the Olympics. Blame it on the 1976 Montreal Olympics. The cost of those games was \$1.2 billion and left the city a reported \$1 billion in debt. The Soviet Union is said to have spent about \$9 billion staging the 1980 Summer Olympics; their deficit is unknown.



Leading Olympic sponsors

Coca-Cola	\$14,000,000
AT&T	\$13,000,000
Anheuser-Busch	\$11,000,000
Atlantic Richfield	\$9,000,000
McDonald's	\$9,000,000
Levi Strauss	\$6,000,000
General Motors Buick	\$6,000,000
Motorola	\$6,000,000
IBM	\$6,000,000
Xerox	\$6,000,000

Index Stone International

pics; their deficit is unknown.

The pledge for the '84 Olympics is that the games will be conducted at no cost to local taxpayers. All of the financing will be private.

The games are being run as the product of a commercial company. Ironically, what the LAOOC is doing and attempting to prove, former International

Olympic Committee president Lord Killanin says, might in the past have been construed "to be against the Olympic principles, if not actually against the rules."

Lord Killanin refers to the commercialism and the contracts into which the LAOOC has entered. To produce a financially secure Olympics, the committee has

turned mostly to corporate America. Companies, including Atlantic Richfield, McDonald's Corp., Southland Corp. and American Telephone & Telegraph, have contributed money, material and services in return for the right to say in their advertising and marketing that they are supporting the Olympics.

That type of tie-in concerns the Assn. of European National Olympics Committees. The organization has drafted a resolution that, while sympathizing with attempts by the Los Angeles committee to provide the funding, stresses "the potential danger which lies in commercial and business influence to the detriment of sport and its organization."

But the commercial effort has its supporters. "We read all the time that the system doesn't work in this country," Mr. Ueberroth told ABC-TV's "20/20." "Well, this is an example of the system working."

Keeping it working through the two week Olympic period is going to be a challenge. As just one of several still shaky underpinnings for the games, a local tv station, KNBC, recently revealed street gangs are gearing up for the Olympics.

The station reported that some gang members consider the games "open season" for robberies and muggings, with both foreign tourists and local spectators possible victims.

Finally, there is the essential question as to whether the price paid for a commercial Olympics is worth it. The tv audience for the 1984 Winter Olympics in Sarajevo, Yugoslavia, was disappointing, causing ABC to provide advertisers with free ad time to compensate for low ratings.

An ABC News telephone poll last year of 505 people suggested that most respondents didn't know who the official LAOOC-sanctioned sponsors are of the 1984 Summer Olympics.

—Morrie Gelman



Peter Ueberroth

The corporate Olympics is on trial in Los Angeles. The charge of excessive commercialism sits atop the 1984 Summer Olympics like a nuclear mushroom cloud threatening to obliterate every good thing in its path.

"We are a private company and are as commercial as you can get," says Daniel D. Greenwood, vp-corporate relations, the top sponsorship and licensing executive of the LAOOC.

No government—federal, state or local—is responsible for financing the 1984 Summer Olympics. Sponsors and licensees are responsible for 30% of the games' \$500 million budget. They're the cornerstone of the plan to have the private sector finance the games. Without them, Mr. Greenwood says, there would be no Olympics.

Yet the cloud lingers and even grows, it seems, as the July 28 start of the games draws closer. A persistent grumbling from Olympic corporate sponsors, expected to provide \$142 million in cash, goods and services, is turning to louder expressions of discontent about being un-

dercut, about ripoff, about "exclusivity" not necessarily being exclusive.

Though they've paid dearly for what they understood to be a privileged and exclusive franchise, some sponsors designated by the LAOOC find competitors are locking up alternative sponsorships offered by the U.S. Olympic Committee, which fields the U.S. team for every Olympics, or similar tie-ins with a myriad of individual sport federations.

The exclusivity complaint is only one of a number charging the games with overcommercialization.

Maybe the loudest squawk is that the Olympics structure is trying to squeeze the last drop out of corporate sponsors, licensees and suppliers.

"There are as many ways to skin the cat as you can think of," says Alan Easton, vp-corporate affairs, Miller Brewing Co., Milwaukee.

Here's one way to skin the corporate

What price exclusivity?

Olympics cat: While Anheuser-Busch paid an estimated \$11 million for the Los Angeles committee's beer sponsorship, arch rival Miller spent just \$3 million to become official sponsor of the U.S. Olympic Committee's training center.

Miller since has developed a strong Olympic image through a tv campaign featuring heart-tugging vignettes of struggling athletes in run-down schoolyards who are catapulted to Olympian triumphs after stops at the USOC training center.

Miller also is a sponsor of ABC-TV's Olympic coverage. The brewer and other major ABC Olympics sponsors can use a special network tv logo that resembles the well-known Olympic symbol—five intertwined rings.

Then there's the example of Fuji Photo Film USA, New York, photo film products sponsor of the 1984 games. The risk by Fuji is considerable. Fuji's recent an-

nual ad spending of \$5 million pales against Eastman Kodak's \$90 million budget, and Fuji is investing a large portion of its advertising budget in the Olympic sponsorship.

It may be paying off. Giving a clue as to



When Fuji got Olympic film sponsorship, Kodak countered by landing the U.S. track and field team.

why advertisers plunge into the murky waters of corporate sponsorship of the Olympics, Bill Lawrence, marketing director of Fuji film, says: "What it's done is given us a certain credibility" with con-

Special Report

Research Business Review

35

Market Research Companies

**Including rankings, revenues,
company profiles, trends
and major personnel changes.**

Jeffrey Toth

Management shifts shake up 1983

By Jack J. Honomichl

The U.S. marketing/advertising research industry ended 1983—a year characterized by changes in top management—with an 11.3% increase in revenues over 1982, according to ADVERTISING AGE's 10th annual review of industry performance.

After adjustment for inflation —3.2% in 1983 according to the Department of Labor's Consumer Price Index-U monthly average—the industry's so-called "real growth" rate was 8.1%, a considerable improvement over the comparable figure for the four previous years, but

Jack J. Honomichl writes a regular column on marketing research in ADVERTISING AGE.

still well below the heydays of 1975-78 when real growth exceeded 10% yearly.

This year's list, expanded to

**The industry's
"real growth"
rate was 8.1%, an
improvement
over ... the four
previous years.**

35 top U.S. companies from 30 and including five newcomers (Gallup Organization, Admar Research Co., Mediamark Re-

search, Simmons Market Research Bureau and Management Decision Systems), had gross worldwide revenues of \$1.291 billion, with 25.9% coming from operations outside the U.S. As usual, the giant A.C. Nielsen Co., with research revenues of \$463.6 million, dominated the list, and its relatively weak performance, hurt by a strengthening of the U.S. dollar overseas, detracted from the industry's performance.

The industry's growth, based on domestic operations (\$956.3 million in 1983), was 15.6%. The overseas volume grew just 0.6%, and that was influenced most directly by Nielsen's overseas operations, which account for about 52% of the company's

(Continued on Page M-16)